
Northland Resources updates on Sweden project

Friday, 28 Aug, 2009

Northland Resources Inc announced that it will conduct a strategic review of opportunities for Northland's non-ferrous projects in Sweden. The projects include the Barsele gold project, which has NI 43-101 compliant gold resources of 367,749 oz in the indicated category and 398,630 oz in the inferred category and a granted Exploitation Concession, the Norra VMS prospect, and a number of promising early-stage projects in the immediate vicinity of Barsele and Norra.

The strategic review has been initiated by the Board of Northland in order to determine how best to realize the significant value of Northland's non-ferrous projects, through a cooperation or sale of the assets. There was been significant interest in these assets and Pareto Securities AS has been retained as financial advisors with respect to potential transactions.

Mr Buck Morrow president & CEO of Northland said that "The Board of Northland believes that the non-ferrous projects have significant value. Barsele has a NI 43-101 compliant resource estimate and a valid Exploitation (Mining) Concession, and Northland has performed extensive drilling, metallurgy, geochemical and geophysical studies on the projects over the last years. However, as Northland is very focused on developing its iron ore projects in Kaunisvaara and Hannukainen in Sweden and Finland, the Board of Northland believe that the value will be better reflected through a cooperation with, or outright sale to, an entity that can devote its resources to developing the Swedish non-ferrous assets into mining operations. Northland will evaluate proposals from mining companies with a focus on maximizing shareholder value. Northland will through these potential transactions be better able to focus its efforts on developing the Kaunisvaara and Hannukainen projects into long term mining operations in stable EU countries."

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